Price Hike of Diabetes and Tuberculosis Drugs

2070. SHRI VAYALAR RAVI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are aware that the prices of certain life saving drugs and the drugs for diabetes and tuberculosis have increased after introducing the patent regim; and

(b) if so, what steps have been taken to check this abnormal increase of drug prices?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) The Drugs (Prices Control) Order, 1995 (DPCO, 95) does not make any distinction between Life Saving drugs and other drugs. There is no specific norms or guidelines to determine as to which drugs can be classified as life saving drugs. Every drug , in general, is considered useful in saving and prolonging of life.

The 74 bulk drugs specified in the First Schedle of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO,95. These drugs have been identified for inclusion under price control in the DPCO, 95 on the basis of criteria mentioned in the 'Modification in Drug Policy, 1986', announced in September, 1994. These criteria take into account the extent of usage and the market competition of various drugs.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

Under DPCO, 1995 the bulk drugs Glipizide and Insulin which are used for treatment of Diabetes, and bulk drugs Rifampicin and Streptomycin which are used for treatment of Tuberculosis are under price control. So far as the prices of these Scheduled bulk drugs and formulations based thereon are concerned, there has not been any increase after introduction of the patent regime w.e.f. 1-1-2005.